

FISCAL NOTE

SB 2837 - HB 2966

February 19, 2006

SUMMARY OF BILL: Requires employers in this state to pay overtime to certain executive, administrative, professional, outside sales, and computer employees according to the federal standards that were in place on August 22, 2004.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures – Exceeds \$100,000*

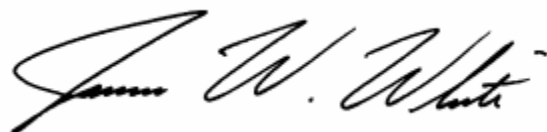
Assumptions:

- Bill does not change the overtime rules applicable to state employees.
- Local governments employ personnel that would be eligible for overtime pay under this bill but not under current law.
- Local governments are subject to the federal Fair Labor Standards Act governing overtime and this bill is a violation of federal wage regulations for overtime.
- There may be litigation costs and potential damage awards against local governments that fail to comply with this bill.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James W. White, Executive Director